

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION I 5 POST OFFICE SQUARE, SUITE 100 BOSTON, MASSACHUSETTS 02109-3912

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

URGENT LEGAL MATTER
REQUIRES PROMPT RESPONSE

APR 0 7 2015

Galdino Claro, CEO Sims Metal Management Limited 16 West 22nd Street 10th Floor New York, NY 10010

Re: Clean Air Act Testing Order for Sims Metal Management Limited:

Emissions Testing in Johnston, RI and North Haven, CT

Dear Mr. Claro:

The United States Environmental Protection Agency ("EPA") is evaluating whether Sims Metal Management Limited ("Sims") is in compliance with the Clean Air Act ("CAA" or "Act") and requirements promulgated under the Act at its various facilities in the six New England states. These CAA requirements include; the National Emission Standards for Hazardous Air Pollutants found at 40 CFR Part 63, the Standards of Performance for New Stationary Sources found at 40 CFR Part 60; and federally enforceable state implementation plans.

Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1), gives EPA the authority to require any person who owns or operates any emission source to establish and maintain records, make reports, sample emissions, and provide such other information as may reasonably be required to enable EPA to determine whether such person is in compliance with the Act and its implementing regulations.

EPA is evaluating emissions of volatile organic compounds (VOC), particulate matter (PM), and hazardous air pollutants (HAP) from the shredding and processing of scrap metal. Such emissions may trigger permitting and other CAA requirements. As a result, EPA is ordering Sims to test emissions from its Johnston, Rhode Island facility and its North Haven, Connecticut facility. Specifically, Sims shall test the shredding and materials separation operations in Johnston and North Haven, according to the procedures/methods described below.

Testing Order

Sims shall develop <u>emissions testing protocols</u> for EPA approval, and shall subsequently <u>conduct emissions testing</u> of VOC, HAP, and PM emissions from operations in Johnston, RI and North Haven, CT.

- 1) To prepare for the emissions testing, Sims shall ensure that sufficient automobiles are available for an 8 hour period such that Sims can achieve maximum shredding throughput for a full 8 hour period. In advance of the test, Sims must collect and prepare automobiles according to its normal procedures. Then, Sims will operate its shredders in Johnston and North Haven at the highest achievable throughput capacity for automobiles for a minimum of 8 hours at each location.
- To prepare for and conduct the emissions testing, Sims shall create a temporary (or permanent) total enclosure around the shredding operation that meets EPA Method 204 including:
 - a) Demonstrating that temporary (or permanent) total enclosure has been established prior to and during testing by establishing a negative pressure environment for each enclosure(s). A continuous pressure monitoring recording device shall be used to document the pressure within the enclosure(s).
- 3) During the test period, Sims shall record process operating parameters including but not limited to:
 - a) Conveyor speed;
 - b) Total tonnage of automobiles shredded; and
 - c) Flow rate to the water suppression system and amperage setting.
- 4) During the test period Sims shall utilize the following test methods (see 40 CFR Part 60, Appendix A).
 - Methods 1-4 and Method 25A and/or other EPA approved methods to measure total gaseous organic compounds as VOC;
 - Method 18, Method 320, Method TO-15, and/or other EPA approved methods to measure HAPs;
 - c) Methods 1-4, Method 5, and Method 202 and/or other EPA approved methods to measure filterable and condensable particulate matter; and
 - d) Methods 1-4 and Method 29 and/or other EPA approved methods to measure metals.

- 5) During the test period, Sims shall monitor emissions of VOC, HAP, and PM from all exhaust vents including those on the enclosure:
 - a) for one hour prior to the test period to establish a baseline;
 - b) for the entire 8 hour test period; and
 - c) for a period of time after the test period until emissions return to baseline levels.
- 6) To conduct the monitoring described above Sims shall install a continuous flow measurement system to measure and record flow rates at vent locations.

Sims shall prepare for and conduct emissions testing according to the following schedule:

- Within 30 days of the date Sims receives this letter, contact EPA's Bill Osbahr, at (617) 918-8389, to schedule a conference. At this conference, EPA will review with Sims the testing procedures, monitoring procedures, and testing methods described above and discuss the development of a testing protocol.
- 8) Within 60 days of the date Sims receives this letter, prepare and mail to EPA for review emissions testing protocols for the Johnston and North Haven locations that incorporate the procedures/methods described above.
- 9) Within 30 days of receiving EPA comments on the draft protocols, Sims shall revise and resubmit the emissions testing protocols for both the Johnston and North Haven locations in accordance with EPA's comments or required changes. EPA shall approve, approve with conditions, or disapprove the revised emissions testing protocols in writing.
- 10) Within 30 days of the date EPA approves the protocols, Sims shall hold a pre-test meeting with EPA and schedule the testing date(s). The tests must take place no later than 60 days from the pre-test meeting.
- 11) Within 45 days of completing the tests, Sims must:
 - a) Submit complete test reports to EPA; and
 - b) Provide a list of any deviations in the negative pressure within the enclosure and detailed descriptions of the corrective actions taken.

Note that Attachment A to this Testing Order provides lists of required elements for pre-test protocols and test reports.

Be aware that if Sims does not provide the information required in this Reporting Requirement and Testing Order in a timely manner, EPA may order it to comply and may assess monetary penalties under Section 113 of the Clean Air Act. Federal law also establishes criminal penalties for providing false information to EPA. This letter is not subject to Office of Management and Budget review pursuant to the Paperwork Reduction Act, 44 U.S.C. Chapter 35.

You may assert a business confidentiality claim covering part or all of the information requested, in the manner described by 40 CFR § 2.203(b). Information covered by such a claim will be disclosed by EPA only to the extent, and by means of the procedures, set forth in 40 CFR Part 2, Subpart B. Note that certain categories of information, such as emission data, are not properly the subject of such a claim. If no such claim accompanies the information when EPA receives it, EPA may make the information available to the public without further notice to you.

Provide the above-required information to:

Susan Studlien
US EPA Region 1
Mail Code OES04-2
5 Post Office Square Suite 100
Boston, Massachusetts, 02109-3912
Attn: Abdi Mohamoud

If you have any questions regarding this Testing Order, please contact Abdi Mohamoud at (617) 918-1858, or have your attorney call Tom Olivier at (617) 918-1737.

Sincerely,

Susan Studlien, Director

Office of Environmental Stewardship

cc: Scott Jacobs, Sims Metal Management Limited Ted Burns, RIDEM

Chris John, RIDEM Bob Girard, CT DEEP Bill Osbahr, US EPA